

2017 SPECIAL RATE VARIATION COMMUNITY ENGAGEMENT

INVERELL SHIRE COUNCIL – 8 FEBRUARY 2017

In light of recent local government reforms and changing expectations of local government, Inverell Shire Council (Council) is engaging the community about key financial and service and infrastructure delivery challenges facing Council.

The Centre for Local Government (CLG) was contracted by Council to undertake this engagement, which used a phone survey, deliberative panel and post-panel survey to canvass community views on:

- > Importance of different services, assets and infrastructure provided by local government
- > The role of local government in providing services to the community
- > Level of satisfaction with Council services and infrastructure
- > Level of local government investment in services and infrastructure
- > How local government should pay for investment in services and infrastructure

PHONE SURVEY FINDINGS

A phone survey (n=400) was used to establish broad community views towards these issues:

- > The most important local government services and infrastructure for Inverell Shire residents are
 - ‘emergency and disaster management’ (90% rated this as ‘extremely’ or ‘very important’)
 - ‘roads and bridges’ (88% rated this as ‘extremely’ or ‘very important’)
 - ‘water, sewage, stormwater, drainage’ (83% rated this as ‘extremely’ or ‘very important’)
 - ‘aged care’ (84% rated this as ‘extremely’ or ‘very important’)
 - ‘planning for the future’ (81% rated this as ‘extremely’ or ‘very important’) and
 - ‘health and environmental management’ (76% rated this as ‘extremely’ or ‘very important’).
- > Almost all (92%) agree there is a role for local government in providing any of the services that the community needs and want local government to involve them in decision-making about services (92%)
- > There are mixed views as to whether decisions about services in an area should be made primarily on value of money (51% agree and 44% disagree)
- > Services and infrastructure in the area are considered adequate in terms of ease of access (61%); quality (64%); usefulness (63%) and value for money (61%)
- > Just over half (53%) are not prepared to accept a decrease in services, even if this makes rates cheaper
- > Most think there should be more spent on essential services and infrastructure provided by Council such as roads and bridges (73%) and emergency and disaster management (65%); and a continuation of existing investment on most other services provided by Council such as youth services, economic development, and sporting and recreation facilities
- > However, most think local government should raise funds by cutting spending or services (43%) in some areas while a minority think funds should be raised through user charges (17%) or were uncertain (19%).

DELIBERATIVE PANEL FINDINGS

The deliberative panel provided 20 randomly selected community members with an opportunity to explore the key challenge Council faces in more detail, and provide advice on how Council should address it.

The key challenge facing Council is that revenue no longer meets costs to provide services and infrastructure at current levels.

After considering the evidence behind this challenge, and being given an opportunity to interrogate and seek clarifications from Council staff, the deliberative panel advised:

- > Council's investment in service and infrastructure should be at least maintained at current levels or increased, and
- > In order for this to happen, they are willing to accept a Special Rate Variation (SRV) that increases rates by 14.25% over four years

This advice was provided to Council to inform its decision making around an SRV application to be lodged with the NSW Independent Pricing and Regulatory Tribunal in early 2017. Following the panel, an additional phone survey tested this advice with the broader community.

POST-PANEL PHONE SURVEY FINDINGS

The survey instrument (Attachment A) was designed by CLG and fieldwork was undertaken by Galaxy Research from Thursday 2nd to Tuesday 7th February. The survey used landline phone numbers and reached 300 Inverell Shire households. It included questions on:

- > Awareness of Council's consideration of an increase in rates
- > Views about the financial challenge facing Council, including need to address it and ways to do this
- > The advice provided to Council by the deliberative panel
- > Willingness to accept a rate increase to address Council's financial challenge

Awareness of Council's plan

- > Overall, about **two thirds had heard about** Council considering **changing the amount of rates landowners pay** (65%). Of these, **half heard through local media reports** (50%), and a similar amount through Council newsletters (42%)

Views on Council's financial situation

- > Overall, there were mixed views on Council's financial challenge. **Just over half are worried** about Council's finances (53%), and **just under half are not** (47%)

Addressing Council's financial situation

After being presented with options available to Council to address its financial challenge, and given information on the implications of these options for their rates bill as well as services and infrastructure:

- > **More than half** think **Council should raise more income through increased rates** (58%)
- > **About a fifth** think Council should either **cut spending on roads, bridges and other services** (22%), or address its financial challenges through other means (20%)

Testing views of the deliberative panel

After being presented with the advice provided to Council by the deliberative panel, and the key reasons behind this advice:

- > **Over two thirds agree with the advice** provided by the panel to Council (68%)
- > **About a fifth do not agree with the advice** provided (22%)
- > **A small proportion is unsure** whether they agree or do not agree with advice provided (10%)

Increasing rates

When asked overall:

- > Just under **two thirds think there is a need to increase rates** (61%), just under **one third thinks there is not** (30%), and the **remainder are unsure** (8%)

Willingness to accept increase

When given weekly and annual dollar amounts for potential rate increases for the property they live in:

- > Just under **two thirds of homeowners accept paying this amount to maintain current service and infrastructure levels** (59%) Just over **one third do not accept paying this amount** (38%), and the **remaining small proportion is not sure** (3%)

ATTACHMENT A – SURVEY INSTRUMENT

A1 Are you...

- a) Male
- b) Female

A2 How old are you?

- a) Under 18 → thank and close
- b) 18-25
- c) 26-35
- d) 36-45
- e) 46-55
- f) 56-65
- g) Older than 65

A3 Which of these following best describes the area you live in? DO NOT READ

- a) Inverell township
- b) Ashford
- c) Delungra
- d) Gilgai
- e) Yetman
- f) Other (please specify):

A4 Which of the following best describes where you live?

- a) Residential house (SKIP, A4a)
- b) Rural residential 1-40 hectares
- c) Rural farmland

A4a And is the size of the property on which you live

- a) Larger than 40 hectares
- b) Less than 40 hectares

A5 Which of these applies to you: [READ OUT A&B]

- a) I own my home or am paying off a mortgage
- b) I rent the home I live in
- c) Other →

Q1 – Inverell Council is considering changing the amount of rates landowners pay. Before today, had you heard about this?

- a) Yes
- b) No (IF, SKIP Q1a)

Q1a – And how did you hear about this?

- d) Council website
- e) Local media reports
- f) Social media
- g) Newsletter / letterbox drop
- h) Other (please specify):

Inverell Council's regular income no longer meets the cost of services and infrastructure.

About 20% of its income is one-off grants which are not guaranteed each year.

Since 2009, Council has made annual savings of 25% on its costs.

While Council has been assessed as 'running well' by the State Government, if Council continues with its current income and costs it will have an annual budget deficit of more than \$1.6 million by 2019.

Q2 – Based on this information, which is closest to your view:

- a) I am worried about Inverell Shire Council's finances
- b) I am not worried about Inverell Shire Council's finances

To address Council's financial issues it can either raise more income OR cut service and infrastructure costs.

- > If Council cuts services and infrastructure, it would mean cutting spending on roads and bridges spending as well as other services.
- > If Council raises more income it would mean increasing the amount of rates landowners pay.

Based on the information you provided at the start of this survey, this means rates for the property you live at could increase by...

IF	...
a. A3,A + A4,A	\$4 a week, or \$207.80 each year
b. A3,A / B / C / D / E / F + A4,B + A4a,b	\$3.72 a week, or \$193.68 each year
c. A3,A / B / C / D / E / F + A4,B + A4a,a	\$11.04 a week, or \$574.11 each year
d. A3,A / B / C / D / E / F + A4,C + A4a,a	\$11.04 a week, or \$574.11 each year
e. A3,A / B / C / D / E / F + A4,C + A4a,b	\$3.72 a week, or \$193.68 each year
f. A3,B + A4,A	\$1.92 a week, or \$99.84 each year
g. A3,C + A4,A	\$2.02 a week, or \$105.03 each year

h. A3,D + A4,A	\$2.28 a week, or \$118.40 each year
i. A3,E + A4,A	\$1.99 a week, or \$103.28 each year
j. A3,F + A4,A	\$2.58 a week, or \$134.07 each year

Please note, this is an estimate only. The actual amount could vary for your property and through things like pensioner rebates.

Q3 – In your view, what should Council do?

- a) Raise more income by raising rates
- b) Cut spending on roads, bridges and other services
- c) Other (please specify):

Inverell Council cannot continue to provide the same standard of services and infrastructure as it currently does without raising more income.

A group of about 20 randomly selected Inverell Shire residents recently examined this issue in detail over 1.5 days.

As part of this, they considered detailed evidence about Council's income and costs and were able to interrogate Council staff on Council's finance issues.

At the end of the 1.5 days the group advised Council:

- > they want roads, bridges and other services maintained at current standards and are not prepared to accept a decrease in spending on these

Therefore

- > Council should raise more income by increasing rates

Q4 – In general, would you say you agree or do not agree with the advice provided to Council by this group?

- a) Agree
- b) Do not agree
- c) Don't know

Q5 – Overall, based on the information you have been provided, would you say there...

- a) Is a need for Inverell Shire Council to increase rates
- b) Is NOT a need for Inverell Shire Council to increase rates
- c) Don't know

IF QU A5=b or c PROCEED TO D1

Q6 – Overall, would you accept or not accept paying <Q3a-h> each week to maintain existing service and infrastructure standards in your area

- a) I accept this amount
- b) I would not accept this amount
- c) Don't know

And finally some questions about you

D1 What is your highest level of education

- a) Some high school
- b) Finished high school
- c) TAFE or technical college
- d) University

D2 Thinking about paid work do you currently work?

- a) Full time
- b) Part time
- c) Not at all

D3 Which best describes your annual household income before tax?

Please make your best estimate.

- a) Less than \$20,000
- b) \$20,000 - \$40,000
- c) \$40,001 - \$60,000
- d) \$60,001 - \$80,000
- e) \$80,001 - \$100,000
- f) \$100,001 - \$150,000
- g) More than \$150,000
- h) Not sure/rather not say

Thanks for your help with this survey. This Survey was conducted on behalf of the University of Technology Sydney for Inverell Council.

2017 SPECIAL RATE VARIATION

COMMUNITY ENGAGEMENT


Inverell Shire Council

24 January 2017

clg.uts.edu.au

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UTS CRICOS PROVIDER CODE: 00099F



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Executive Summary

Background

In light of recent local government reform and changing expectations of local government, Inverell Shire Council (Council) is committed to engaging the community around the role and future of local government, Council's financial sustainability, service levels, infrastructure provision, and meeting the needs of the community.

Council engaged the Centre for Local Government at the University of Technology Sydney (CLG) to design a community survey and conduct a deliberative panel exploring the financial sustainability of Council and future service delivery in the local area. The purpose of the research was to engage with the community and key stakeholders of the Inverell local government area (LGA), around:

- > The future of Inverell, including changing community needs
- > Service levels
- > Asset management, and
- > Decisions around budgeting and rates.

Findings of the research will be used by Council to shape decisions on their long-term financial planning, service delivery, asset management, and own source revenue and rates.

This report has been prepared independently by CLG. This report provides findings of community engagement by the Centre for Local Government (CLG), undertaken on behalf of Council, to accompany the SRV application.

Methodology

The methodology for undertaken as part of the Inverell community engagement included:

- > A statistically representative, random dial telephone survey of 400 Inverell Shire residents. The survey was designed by CLG and fieldwork was undertaken by Galaxy Research
- > A deliberative panel with 18 community members who responded to the phone survey. The panel was designed and delivered by CLG.

Separately, Council also undertook other activities to make the community aware of the SRV and provide an opportunity for feedback¹. These included:

- > A community newsletter available on Council's website, at Council facilities and local shops, and letterbox dropped to households across the Shire
- > An online survey on Council's website and the internet kiosk at Inverell Library. The online survey included the same questions as the phone survey.

In addition, a number of local media reports have reported on the SRV since 2016².

Key findings

Phone survey

As part of the Inverell community engagement, a random dial phone survey was conducted between 6 December to 11 December 2016. The random dial telephone survey of 400 Inverell

¹ <http://www.inverell.nsw.gov.au/2-your-council/your-council/559-council-asks-for-community-feedback.html>

² <http://www.inverelltimes.com.au/story/4327632/rate-peg-budget-hole/>; <http://www.inverelltimes.com.au/story/4391359/voice-your-rates-response/>

Shire residents was statistically representative of the Inverell LGA population (approximately 16,000 residents) and provides a confidence interval of 4.75 at the 95% confidence level. To ensure that the respondents closely matched the 2011 Census of the Inverell LGA, quotas for geographic areas across the Inverell Shire, age, gender and income were used.

The survey examined a range of issues relevant to the context of Council's SRV application, including:

- > Level of importance of different services, assets and infrastructure, provided by local government
- > The role of local government in providing services to the community
- > Level of satisfaction with Council services
- > Level of local government investment in services
- > Low local government should pay for investment in services.

The survey was also utilised to recruit participants for the deliberative panel.

Key findings from the survey are discussed below:

- > The most important local government services for the residents of Inverell Shire are
 - 'emergency and disaster management' (90% of respondents rated this as 'extremely' or 'very important')
 - 'roads and bridges' (88% of respondents rated this as 'extremely' or 'very important')
 - 'water, sewage, stormwater, drainage' (83% of respondents rated this as 'extremely' or 'very important')
 - 'aged care' (84% of respondents rated this as 'extremely' or 'very important')
 - 'planning for the future' (81% of respondents rated this as 'extremely' or 'very important') and
 - 'health and environmental management' (76% of respondents rated this as 'extremely' or 'very important').
- > 92% of respondents agree that there is a role for local government in providing any of the services that the community needs and want local government to involve them in decision-making about services (92%)
- > Inverell Shire residents have mixed views as to whether decisions about services in an area should be made primarily on value of money (51% agree and 44% disagree)
- > Inverell Shire residents rated the services in their area to be at least 'adequate' in terms of ease of access (61%); quality (64%); usefulness (63%) and value for money (61%)
- > Many Inverell Shire residents (53%) are not prepared to accept a decrease in services, even if this makes rates cheaper
- > Inverell Shire residents think local government should spend more on essential services provided by Council such as roads and bridges (73%) and emergency and disaster management (65%); and spend about the same in most other services provided by Council such as youth services, economic development and sporting and recreation facilities
- > A majority of Inverell Shire residents (43%) think local government should raise funds by cutting spending or services in some areas while a minority think funds should be raised through user charges (17%) or were uncertain (19%).

Inverell Shire Council Community Engagement

In large measure, deliberative panels allow for a participating group to form a view based on individual values and in response to discussions with one another and the technical expertise presented as well as the values of the group as a whole. Deliberative panels are a powerful and increasingly used format for engaging the community in complex decision-making. They allow for community members to share and discuss their views with knowledge of potential impacts and arrive at a collective position.

On the 13th and 14th January 2017, 18 community members, three Council staff and three CLG facilitators, led by Professor Roberta Ryan came together to discuss the future of Inverell, including changing community needs and service levels, asset management, budgeting decisions and rates. Key council staff were present to answer technical questions raised by participants and provide expert input at the panel's request.

The deliberative panel was provided with detailed information on:

- > Council's financial sustainability, including data on current/projects operating results
- > Council's services, revenue and expenditure
- > The broader local government reform context in NSW
- > The full impact of the proposed 14.25% rate increase on the participants, including rating scenarios which pre-calculated individual rating burden for each participant and information on what the SRV would be used to fund.

Participants were randomly selected from the phone survey. The recruitment of participants paid close attention to the representativeness of the demographic profile of the LGA, ensuring a range of views and values of the participant groups.

A summary of the key findings from the deliberative panel are outlined below:

- > A range of people from the community participated and were informed of the impact to individual rates and discussed the implication of the proposed 14.25% rate increase. After considering the background evidence and information on Council's financial sustainability and service levels, the need for and extent of Council's SRV application is generally accepted by the community
- > At the end of the two day session, 13 participants accepted the Council's proposal to increase in rates, whilst 5 participants did not accept. Of the 5 participants that did not accept, 4 of these responses were related to the length of the implementation, with all 4 preferring 6 years, rather than the need for the rate rise. One of the responses related to the quantum rate rise
- > There are some qualifications – principally, that Council consider phasing in the SRV over a longer time period (6 years) than is currently proposed (3 years)
- > After discussing Council's existing service levels and service categories, and with the context of Council's broader financial sustainability, participants wanted to continue spending the same amount on most service categories, if not more
- > Participants were particularly impressed with Council's recent efficiency measures and emphasised the ongoing importance of and their valuing of Council always striving to be more efficient and reduce costs, particularly administration costs, wherever possible
- > Participants expressed appreciation for being able to discuss a diverse range of views from across the Inverell LGA and demonstrated understanding of the implications for the financial sustainability of Council.

1 Introduction

Inverell Shire Council (Council) is applying to the NSW Independent Pricing and Regulatory Tribunal (IPART) for a Special Rate Variation of 14.25% (the SRV) above the rate peg. The SRV is permanent and to be phased in from 2017 to 2020.

This report provides findings of community engagement by the Centre for Local Government (CLG), undertaken on behalf of Council, to accompany the SRV application.

1.1 Background

In 2016, the performance of all NSW councils was assessed as part of the State Government's Fit for the Future (FftF) local government reforms. This assessment considered the financial sustainability, efficiency, effectiveness and scale and capacity of councils.

Whilst Council was assessed as efficient, effective and of sufficient scale and capacity, the FftF assessment indicated Council would not be financially sustainable into the future. To address this, Council prepared a FftF roadmap outlining actions it would take to achieve financial sustainability. The SRV, which has been under active consideration by Council and communicated to the community since 2009, is one of the FftF roadmap actions.

1.2 Special Rate Variations

Councils may use an SRV to fund³:

- > improvements in the council's financial sustainability
- > reductions in backlogs for asset maintenance and renewal
- > new or enhanced services to meet the needs of the local community
- > projects of regional significance, and
- > special cost pressures being faced by the council.

Council is applying for the SRV in order to improve its financial sustainability and reduce asset maintenance and renewal backlogs. Revenue from the SRV is required to maintain existing service levels and will not raise revenue for new or expanded services.

1.2.1 Community awareness and engagement requirements

In submitting an application to IPART, councils are required to ensure the community is aware of the proposed SRV and has the opportunity to provide feedback. This community awareness and engagement is a criteria used by IPART in assessing the application. In making this assessment, IPART considers⁴:

- > Whether the council clearly communicated the full impact of the proposed rate increases to ratepayers, and
- > Whether the council clearly communicated what the SV would fund.

Specifically, IPART considers whether a council's application demonstrates:

- > It has used an appropriate variety of engagement methods to ensure community awareness and input into the SV process, and

³ <https://www.ipart.nsw.gov.au/files/sharedassets/website/shared-files/local-government-special-variations-applications-for-special-variations-2017-18-special-variation-documents/fact-sheet-community-awareness-and-engagement-for-special-variations-for-2017-18-december-2016.pdf>

⁴ *Ibid*

- > The community is aware of the need for, and extent of, the rate rise.

1.3 Community awareness and engagement

The community engagement undertaken by CLG included:

- > A statistically representative, random dial telephone survey of 400 Inverell Shire residents. The survey was designed by CLG and fieldwork was undertaken by Galaxy Research
- > A deliberative panel with 18 community members who responded to the phone survey. The panel was designed and delivered by CLG.

Separately, Council also undertook other activities to make the community aware of the SRV and provide an opportunity for feedback⁵. These included:

- > A community newsletter available on Council's website, at Council facilities and local shops, and letterbox dropped to households across the Shire
- > An online survey on Council's website and the internet kiosk at Inverell Library. The online survey included the same questions as the phone survey.

In addition, a number of local media reports have reported on the SRV since 2016⁶.

1.4 This report

This report documents findings of the phone survey (Section 2) and deliberative panel (Section 3).

⁵ <http://www.inverell.nsw.gov.au/2-your-council/your-council/559-council-asks-for-community-feedback.html>

⁶ <http://www.inverelltimes.com.au/story/4327632/rate-peg-budget-hole/>; <http://www.inverelltimes.com.au/story/4391359/voice-your-rates-response/>

2 Phone Survey

A random dial telephone survey of 400 Inverell Shire residents was undertaken. Based on an approximate Inverell Shire population of 16,000, this sample size (n=400) provides a confidence interval of 4.75 at the 95% confidence level.

The survey instrument was designed by CLG (0), and fieldwork was undertaken by Galaxy Research between 6 December and 11 December 2016. Landline phone numbers were used. Quotas for geographic areas across Inverell Shire, age, gender and income were used to ensure respondents closely matched the 2011 Census profile for Inverell.

The survey was approximately eight minutes in length. To meet this timing, some of the more lengthy questions were asked alternately of half the respondents. The remaining questions were asked of all respondents.

The survey tested a range of issues relevant to the context and decisions to be made by Council with respect to the SRV application. In addition to demographics, the survey included questions on:

- > Level of importance of different services, assets and infrastructure provided by councils
- > The role of local government in providing services to the community
- > Levels of satisfaction with Council services
- > Level of local government investment in services
- > How local government should pay for investment in services.

The survey was used to recruit participants for the deliberative panel (see Section 3). A final set of questions about interest in joining a face to face discussion about the survey topics was asked at the end of the survey.

2.1 Importance of local government services, assets and infrastructure

Respondents were asked to rate the importance of twenty different local government services to them (Figure 1, overleaf).

Due to survey timing constraints and the number of service options, half the sample was asked to rate ten services, and the other half was asked to rate the remaining ten. Services were allocated randomly across the sample so that each was responded to by half the sample.

FIGURE 1 IMPORTANCE OF LOCAL GOVERNMENT SERVICES

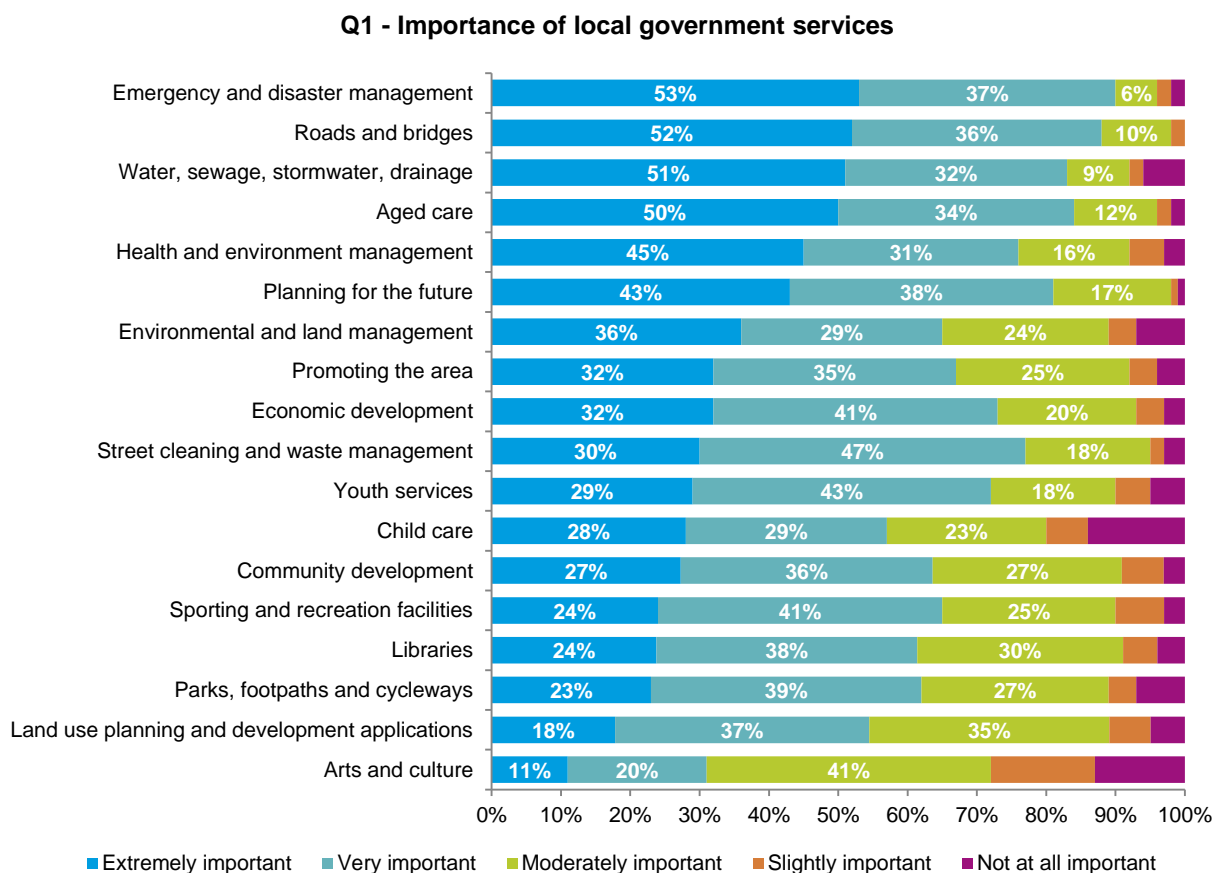


Figure 1 indicates:

- > The **most important local government services for Inverell Shire residents** are emergency and disaster management; roads and bridges; water, sewage, stormwater, drainage; aged care; health and environmental management; and planning for the future
- > The **next most important local government services** are environmental land management; promoting the area; economic development; street cleaning and waste management; youth services; child care; community development; sporting and recreation facilities; libraries; and parks, footpaths and cycleways
- > The **least important local government services for Inverell Shire residents** are and use planning and development applications; and arts and culture.

2.2 Role of local government in providing services to the community

Respondents were prompted with a series of attitudinal statements about the role of local government in providing services and how services are provided and paid for in an area (Figure 2).

Due to survey timing constraints, half the sample was prompted with half the attitudinal statements, and the other half with the remaining statements. Statements were allocated randomly so that each was responded to by half the sample.

FIGURE 2 ATTITUDES TOWARDS LOCAL GOVERNMENT SERVICE PROVISION

Q2 Attitudes towards local government service provision

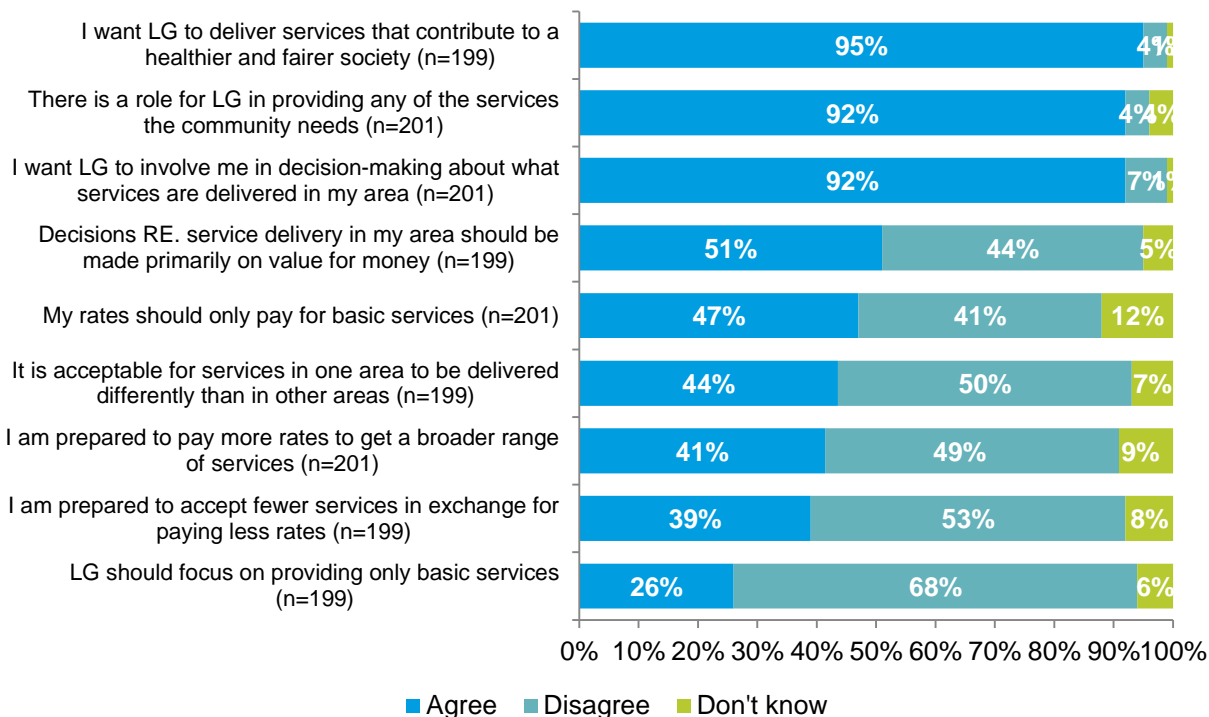


Figure 2 indicates:

- > **Inverell Shire residents clearly think** local government has a role in providing any of the services needed by the community; that these services should contribute to a healthier and fairer society; and that Council should involve residents in making decisions about what services are delivered
- > There are **somewhat mixed views** amongst Inverell Shire residents as to whether decisions about services in the area should be based primarily on value for money; whether their rates should only pay for basic services; whether it is acceptable for services to be delivered differently in one part of Inverell Shire than another; and whether they are prepared to pay more rates to get a broader range of services
- > A **clear majority** of Inverell Shire residents are not prepared to accept fewer services in exchange for paying less rates; and think local government should focus on more than just basic services.

2.3 Levels of satisfaction with Council services

Respondents were asked to consider the range of services provided by local government in the area and rate their perception of these according to a range of criteria (Figure 3, overleaf). This question was asked of all survey respondents.

FIGURE 3 PERCEPTION AND RATING OF LOCAL GOVERNMENT SERVICES

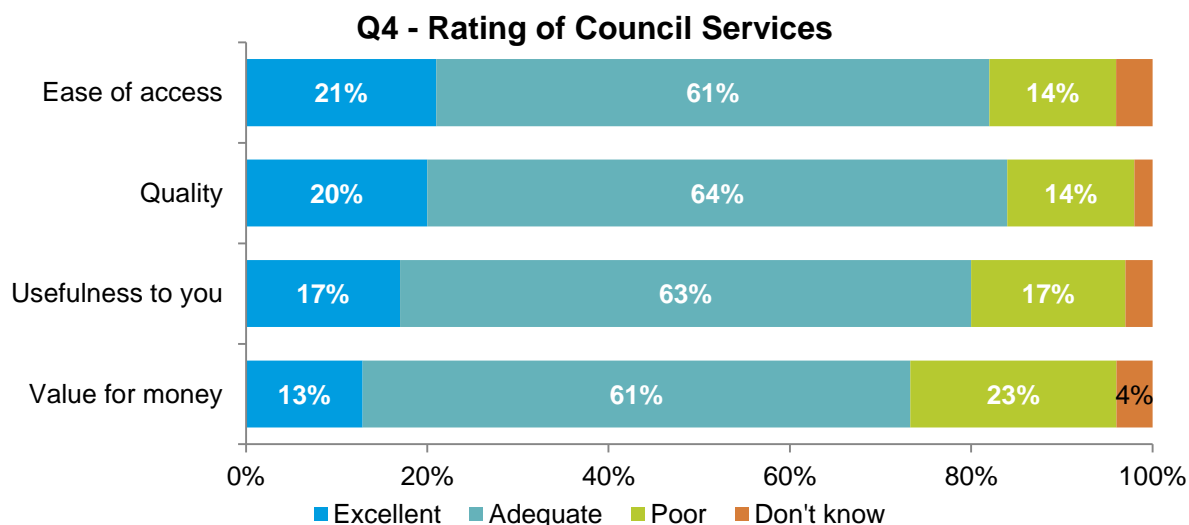


Figure 3 indicates:

- > A clear majority of **Inverell Shire residents think** local government services in the area are adequate in terms of ease of access, quality, usefulness and value for money
- > Across the different criteria, **Inverell Shire residents** were slightly more likely to rate Council services as poor value for money.

2.4 Level of local government investment in services

Respondents were asked whether local government spending on services generally should increase, stay the same, or decrease (Figure 4). This question was asked of all survey respondents.

FIGURE 4 VIEWS ON LOCAL GOVERNMENT SPENDING ON SERVICES

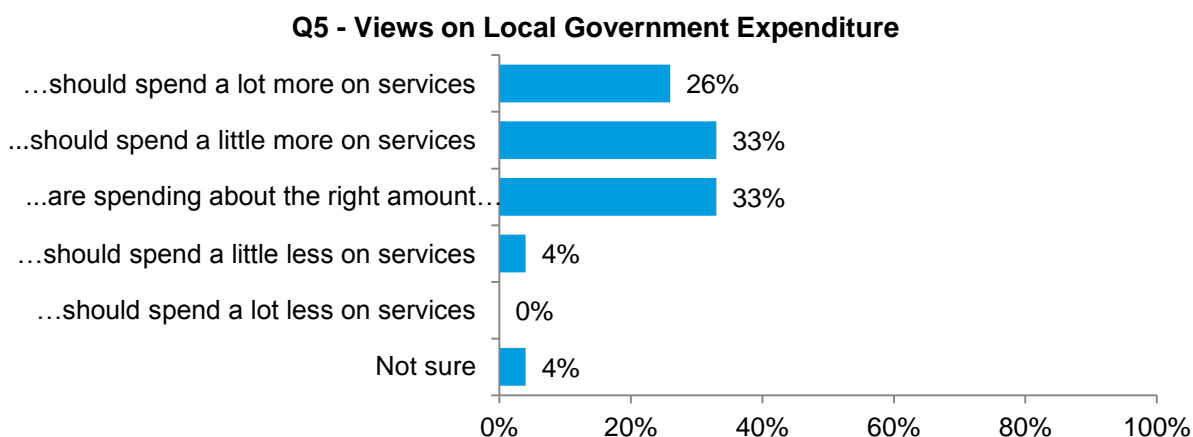


Figure 4 indicates:

- > A **significant majority of Inverell Shire residents** (over 90%) think local government should spend either a lot or little more on services in their area, or the same as what is currently spent
- > Just 5% of Inverell Shire residents think local government should spend less on services than what is currently spent. A similar amount is unsure.

2.4.1 Levels of investment in individual services

Respondents were asked for their views on local government spending on specific services in their area (Figure 5).

Due to survey timing constraints, half the sample was prompted with half the attitudinal statements and the other half were prompted with the remaining statements. Statements were allocated randomly across the sample so that each was responded to by half the sample.

FIGURE 5 VIEWS ON LOCAL GOVERNMENT SPENDING ON INDIVIDUAL SERVICES IN INVERELL

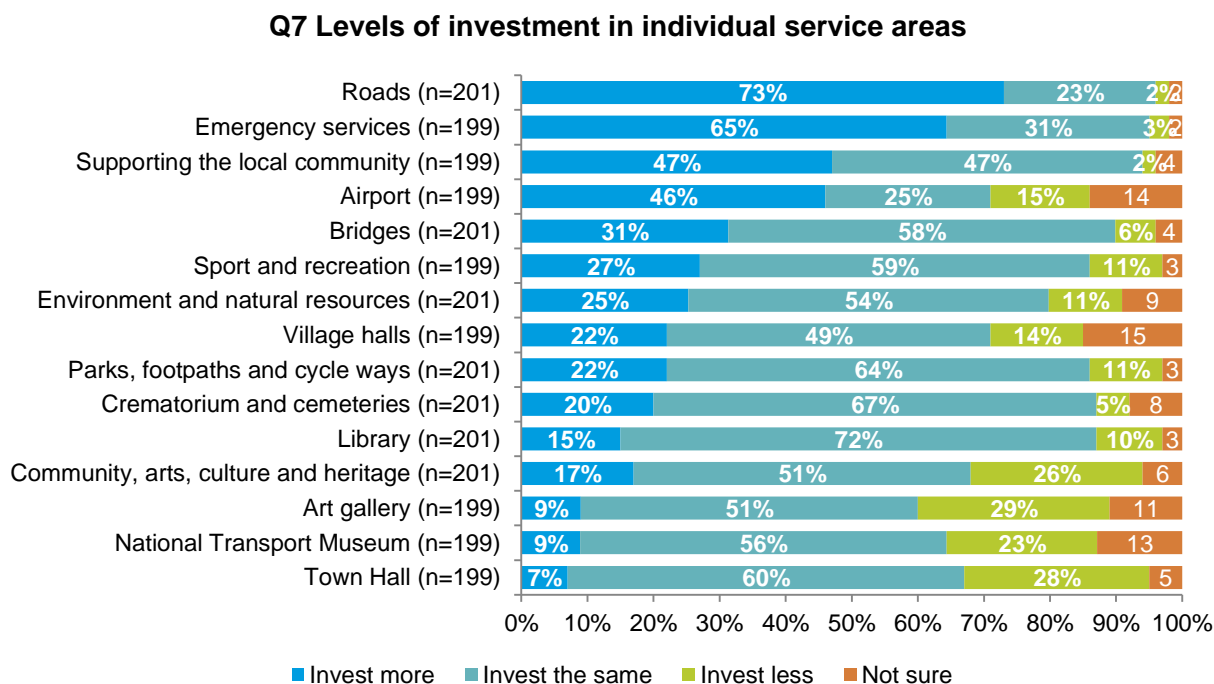


Figure 5 indicates:

- > **Most Inverell Shire residents** think local government should **invest more** in roads and emergency services
- > There are mixed views amongst residents as to whether local government should invest more or the same in services that support the local community, and the airport
- > **Most Inverell Shire residents** think local government should **invest the same** amount in all remaining services
- > A substantial minority think local government should invest less in community, arts, culture and heritage services, the Inverell Art Gallery and Town Hall, and the National Transport Museum
- > There is a degree of uncertainty over changing or maintaining the level of local government investment in the airport, Inverell Art Gallery and Town Hall, National Transport Museum, and village halls.

2.5 Paying for investment in services

Respondents were asked for their views on how local government should raise funds to pay for services in their area (Figure 6, overleaf). This question was asked of all survey respondents.

FIGURE 6 VIEWS ON HOW LOCAL GOVERNMENT SHOULD RAISE FUNDS TO PAY FOR SERVICES

Q6 - Views on funding local Government expenditure

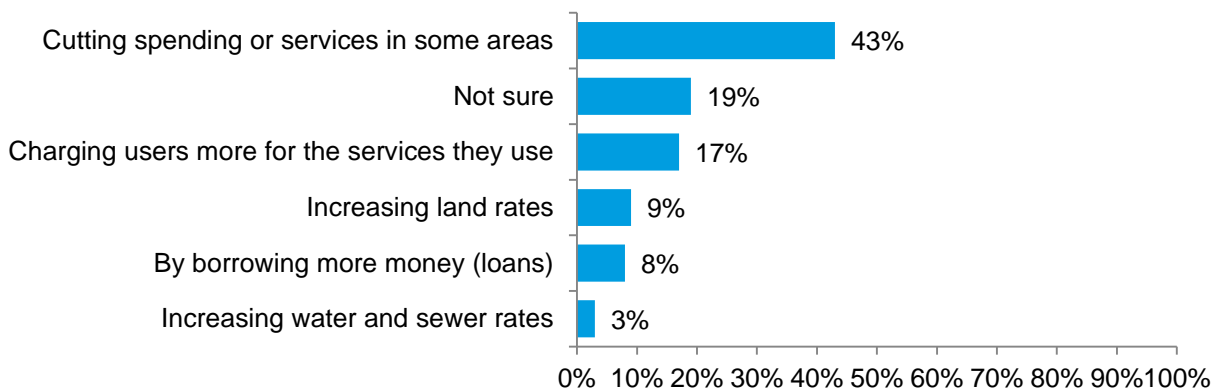


Figure 6 indicates:

- > A **majority of Inverell Shire residents** think local government should raise funds by cutting spending or services in some areas
- > A **substantial minority** of residents think funds should be raised through user charges, or were uncertain
- > A small minority think funds should be raised through land rates, borrowing or increasing water and sewer rates.

2.6 Summary

Based on these findings, the following can be said about the views of residents towards local government and services in Inverell Shire.

BOX 1 SUMMARISING THE SURVEY VIEWS OF INVERELL SHIRE RESIDENTS

Summarising the views of Inverell Shire residents

Inverell Shire residents consider Council to have an important role in providing both basic (i.e. essential) and non-essential services in the area. Revenue raised through land rates should be put towards both essential and non-essential services.

The services provided by Council should contribute to a healthier and fairer community, and the community should be involved in making decisions about them. When making decisions about services, value for money should be an important, though not the only, consideration.

Inverell Shire residents consider the services in their area to be at least adequate, if not excellent; though there are slight concerns over value for money. Most are not prepared to accept a decrease in services, even if this makes land rates cheaper; though there are mixed views on paying higher rates for an increase in services. Despite this, almost all Inverell Shire residents want Council to continue spending the same amount on services, if not more.

Essential services provided by Council such as roads and bridges; emergency and disaster management; and water, sewage, stormwater and drainage, are highly valued by the community. Further, the community thinks Council should invest more in most of these services.

Other services, such as economic development; youth services; and sporting and recreation facilities are not valued as highly as essential services but remain very important services to the community. The community thinks Council should maintain the current level of investment in most of these services.

3 Deliberative Panel

A deliberative panel was held with Inverell Shire residents over 1.5 days on 13th and 14th January 2017.

3.1 Explaining deliberative panels

Deliberative panels are an increasingly used form of community engagement for complex policy issues facing governments. They can be thought of as a process of 'simulated decision-making' whereby panel members are given the same evidence and information as elected representatives, and then are asked to arrive at a collective position. In this way, deliberative panels can be used to meaningfully support representative democracy whilst retaining the democratic legitimacy and accountability of decision-making by elected representatives.

Deliberative panels are designed to bring together a range of community members to provide, as much as possible, collective advice to government on how to proceed with policy issues. They provide citizens with the information they need to provide informed input into policy issues and, through group dialogue, ensure this input is based on collective (or public), rather than individual (or self) interest.

This occurs through a process where panel members: consider the evidence on a policy issue and request any advice they need from relevant experts; exchange individual views on the issue and evidence with other panel members; give reasons for and argue the merits of their own views; and then re-consider these views.

At the end of this process, the group is asked to provide collective advice although, depending on the nature of the issue, content of the deliberations and diversity and strength of the arguments put by participants, this does not always occur.

3.2 The Inverell panel

The panel gave participants an extended period of time to consider background information on the need for a SRV and provide input into Council's decision-making with respect to the SRV.

Participants were provided with evidence on Council services, revenue and expenditure and the broader local government reform context in NSW, the full impact of the proposed 14.25% rate increase on the participants, and what the SRV would be used to fund.

As mentioned in Section 3, panel participants were recruited randomly from the phone survey. A total of 25 participants were recruited however 19 attended across the 1.5 days as 5 participants were unexpectedly unavailable on the day and 1 participant became unwell during the course of the panel.

The recruitment process paid close attention to representing the demographic profile of Inverell Shire and ensuring the views of the participant group, as revealed through their individual survey responses, matched the overall survey findings with respect to key questions. These key questions included views on:

- > Whether local government should focus only on providing basic services, and land rates should only pay for these basic services
- > Preparedness to accept fewer services for a reduction in rates, or pay higher rates for a broader range of services
- > Whether local government spending on services generally should increase, stay the same or decrease
- > Whether local government investment in individual service categories should increase, stay the same or decrease

- > How local government investment in services should be paid for (i.e. cutting spending or services in some areas; user charges; increasing land rates; increasing water and sewer rates; or borrowing money).

Panel members were provided with a financial incentive, acknowledging the extended time they spent participating as well as a nominal amount to compensate for any lost income from participating on a weekday. The panel was videotaped in entirety and some panel members representing the range of views expressed during the panel were interviewed at the end.

The panel was facilitated by CLG staff who, given their extensive expertise and experience working with local governments across NSW, Australia and internationally, also served as expert advisors to the panel. Staff members from Inverell Shire representing Council's finance, corporate governance and civil engineering functions were on hand to answer any queries and provide expert input at the panel's request.

The way the group discussion was presented made people feel like their views would be heard. Being that it is a 'discussion' as opposed to a 'forum' or 'town meeting' where usually only the opinionated speak up. Knowing that you're heading into a 'discussion' makes you feel valued and that your voice will be heard. The people chosen for this group were nearly all willing to give up their time without financial incentive just to be heard and just to learn more.

3.3 Panel process

The panel process was structured into five parts over two days:

Day one

- 1) Understanding deliberation and getting to know each other; information on the local government context, including services provided by local government, how local governments raise revenue and current local government reforms; and introduction to issues relating to Council's financial sustainability and options to address these.

Day two

- 2) Panel discussion of what makes living in Inverell great and importance of Council services in light of this
- 3) Evidence on council's financial performance and sustainability, including sources and changes in revenue over time, operational and capital expenditure and changes over time, and efficiency measures in place since 2009
- 4) Information on and discussion of options to address issues with Council's financial sustainability, such as reducing service levels and the SRV (including a tailored rating assessment under the SRV scenario)
- 5) Panel discussion to develop collective advice for Council on how it should proceed with the options to address financial sustainability issues.

3.3.1 Day one – setting up the process

Day one commenced with an overview of work undertaken by CLG in the lead up to the panel, principally commissioning a phone survey on issues relevant to the deliberations and to recruit panel members.

The panel were then provided with an overview of what deliberative panels are and what they seek to achieve. It was made clear to participants that CLG has no interest in the outcome of the deliberations, and is only interested in facilitating a process that enables the panel to have the evidence and information they need to provide informed collective advice to Council.

A broad community profile for Inverell Shire was then presented to the panel. This included demographic data from the 2011 ABS Census including age, gender, family and household composition, education and employment, and industry profile.

The panel were then guided through a series of group exercises to get to know one another. These exercises were designed to build appreciation of community members who, despite best efforts to replicate the Inverell Shire profile within the panel, could never be fully represented due to process limitations on the size of deliberative panels.

The panel derived a number of insights from these exercises:

BOX 2 PANEL INSIGHTS FROM THE GROUP EXERCISES

Panel insights from the group exercises

- > There were a range of motivations for participating in the panel. These included interest in the issues canvassed in the phone survey, desire to make a contribution to civic life, and the financial incentive. These mirror the motivations of participants in similar panels which CLG has conducted
- > More than half the Shire population resides in Inverell Township and the remainder in small villages and outlying rural areas. Although some participants resided in small villages across the Shire, the panel noted there was some under-representation of these areas, and over-representation of Inverell Township in the panel composition
- > Panel members had both short and long affiliations with the area. Some were relatively new and had lived in the Shire for three years, whereas others had lived in the Shire their whole life, in excess of 60 years. Others had grown up in the area, moved away, and since returned to living in the Shire whereas others chose to move to the Shire from major metropolitan areas in search of a 'tree change'. This meant there were varying perspectives on how Inverell Shire has changed over time and how it compares to other areas
- > Most panel members intend to live in Inverell for the foreseeable future. For most, this was between 10 and 20 years. A small number, mostly younger panel members, indicated they may look to move away from Inverell in the next 5 to 10 years, principally in search of better employment and housing options
- > There were high levels of participation in community activities such as sporting clubs, church and school groups, and community services (i.e. firefighting). This was particularly the case for older panel members and those that have lived most of their life in Inverell, and less so for younger or newer community members. In this sense, panel members suggested there is a strong social fabric and reliance on volunteer contributions to the Inverell community
- > With only a couple of exceptions, there were generally low levels of contact with Council. Those with more frequent contact suggested Council is generally responsive to the issues they raise. Those with less frequent contact expressed some grievances with Council's responsiveness to community issues but conceded they had not been active in raising these with Council. Panel members observed the importance of two-way communication to make Council aware of issues the community is facing, and issues which Council is facing which may impact the community.

FIGURE 7 SETTING UP THE PROCESS - GROUP EXERCISES



Following the group exercises, panel members were provided with an overview of the local government context. This included long term growth in the type and level of sophistication in services provided by councils largely in response to growing community expectations, and the demand for ever-present services placed on councils as local place managers (for example, twenty-four seven animal control and local emergency management). The panel were then guided through a list of services, assets and infrastructure provided by Council and the net cost to Council's budget of these (i.e. revenue generated less cost of provision).

The panel were provided with information on the two main mechanisms for councils to raise revenue: 1) own-source revenue such as land rates, user fees and charges, development contributions, and water, waste and sewage charges; and 2) one-off and ongoing specific and general purpose grants from other levels of government. The panel were then given information on the balance of Council's revenue between own-source and grants.

The rate peg, which limits NSW councils from raising rates above a set amount each year – but can be varied through a permanent or temporary SRV – was explained. Recent policy changes, such as the temporary cessation of indexation of Federal Government Financial Assistance Grants to local councils and the implications of this for council revenues was also explained. The requirement for council co-contribution to receive the major Federal and State Government grants, and heavy reliance on these grants as part of Council's roads budget, was also explained.

The panel were then provided with information on the FftF reforms to local government in NSW. This included an overview of the four criteria against which councils were assessed as part of the FftF process: 1) financial sustainability; 2) efficiency; 3) effectiveness; and 4) scale and capacity.

The panel was informed that Council's assessment found it was efficient, effective and of sufficient scale and capacity but was not financial sustainable into the future. The panel was then advised that failure to implement Council's roadmap of actions to address its financial sustainability could result in reduction of existing service levels, appointment of a financial controller, or appoint of an administrator to replace elected representatives.

Finally, the panel was introduced to the core issue facing Council and what they would be required to deliberate and provide advice to Council on:

BOX 3 ISSUE FOR DELIBERATION

Council's revenue has decreased, whilst costs have continued to rise.

This has impacted Council's financial sustainability and compromised its ability to maintain existing service levels into the future.

In order to maintain existing service levels and meet the FfF financial sustainability criteria, Council has to take action.

There are two options, including a mixture of both, which Council could pursue to become financially sustainable:

1. Generate additional revenue by increasing rates above the rate peg through a SRV

AND / OR

2. Reduce existing service levels, with lower quality standards and less maintenance and renewal of assets

At the end of day one panel members were asked to express an initial preference for the two options. Please refer to Appendix B for evidence of panel member's preferences.

BOX 4 INITIAL PREFERENCE IN RESPONDING TO COUNCIL'S FINANCIAL SUSTAINABILITY ISSUES

Option	Number
Option One (generate additional revenue through SRV)	4
Option Two (reduce service levels)	4
Undecided / mixture of Options One and Two	8
Neither Option One nor Two	4
Total	20

3.3.2 Day two – deliberating on the future of Inverell

Day two commenced with small group discussions between panel members about what makes living in Inverell great, and what this means for the importance of different Council services.

BOX 5 WHAT MAKES LIVING IN INVERELL GREAT

What makes living in Inverell great?

- > More affordable housing options
- > Employment opportunities, including less competition for employment and ability to find a 'dream job'
- > Community mindedness and orientation
- > Picturesque wide open spaces and pleasant climate
- > Appealing public amenity
- > Clean and healthy environment to raise children
- > Availability of services, including retail, aged care, youth and disability services
- > Where services are not available locally, these are generally accessible within the broader New England-North West region

- > Higher levels of public services for lower rates compared to other regional centres such as Lismore.

In reflecting on positive attributes of Inverell and the role of Council services with respect to these, panel members made a number of observations. These included:

1. Crucial role of roads in facilitating and enabling access across the geographically dispersed Shire area and to the broader New England-North West region
2. Gaps in some community and social services, particularly youth, disability and health services
3. Importance of Council's environmental protection and management functions, such as noxious weed management, in contributing to a clean and health environment
4. Whilst public amenity was generally considered appealing, personal preferences varied on the urban design direction of the public domain. For example, street tree plantings and decorations
5. Whilst Inverell provides a higher level of public services for lower rates compared to other areas, an increase in rates may negatively impact this and influence some community members to move elsewhere

I cannot afford more rates just to maintain existing service levels. It would move me out of this area. As would less services. With a young family, I would rather look elsewhere.

Following this exercise, the panel was provided with detailed information on Council's financial performance.

This included revenue sources and expenditure and changes to these in recent times, as well as efficiency measures which Council has pursued since 2009 to defer the need for a SRV.

Information presented to the panel is outlined below, and panel members were given the opportunity to ask questions and seek clarification from Council staff members presenting this information.

Council's revenue

- > Council's revenue comprises approximately 55% own-source and 45% grant revenue (Figure 8). Historically, about half of the grant revenue has been one-off, specific purpose grants meaning 20% of Council's revenue has been uncertain from year to year
 - Whilst there has been slight growth in rating revenue since 2009, other revenues such as fees and charges, waste, water and stormwater charges, and interest earned on Council investments make up a much smaller proportion of own-source revenue and these have remained relatively stable since 2009 (Figure 9)
 - With the exception of a one-off increase in Roads to Recovery Grants for 2015-16, Council's ongoing grant revenue has remained relatively stable since 2009
 - Assuming continuation of current revenues (i.e. existing rates) and expenditures (i.e. existing service levels), Council projects an annual deficit of about \$500,000 in 2017, rising to \$1.6million in 2019 and continuing at that level until the forward estimates conclude in 2025 (Figure 10).

FIGURE 8 COUNCIL'S REVENUE SOURCES, 2015-16

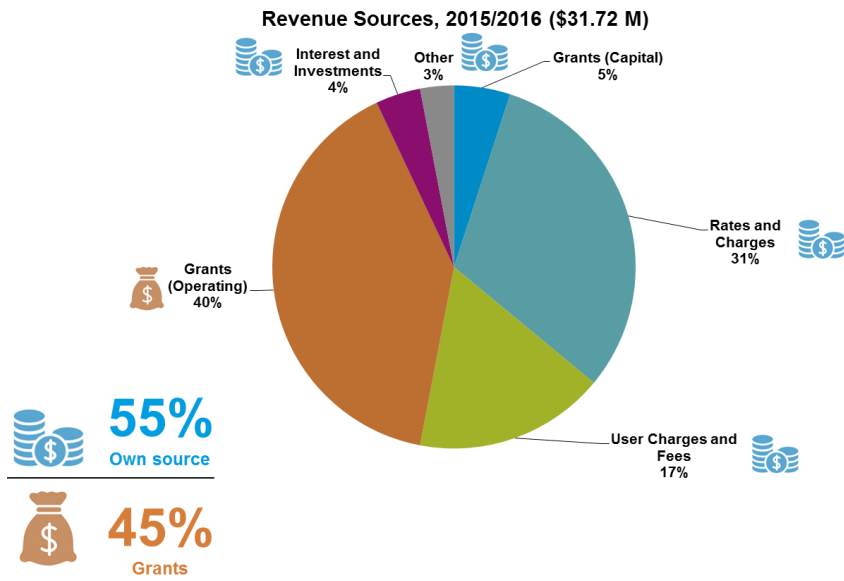


FIGURE 9 CHANGES IN COUNCIL'S REVENUE, 2009-16

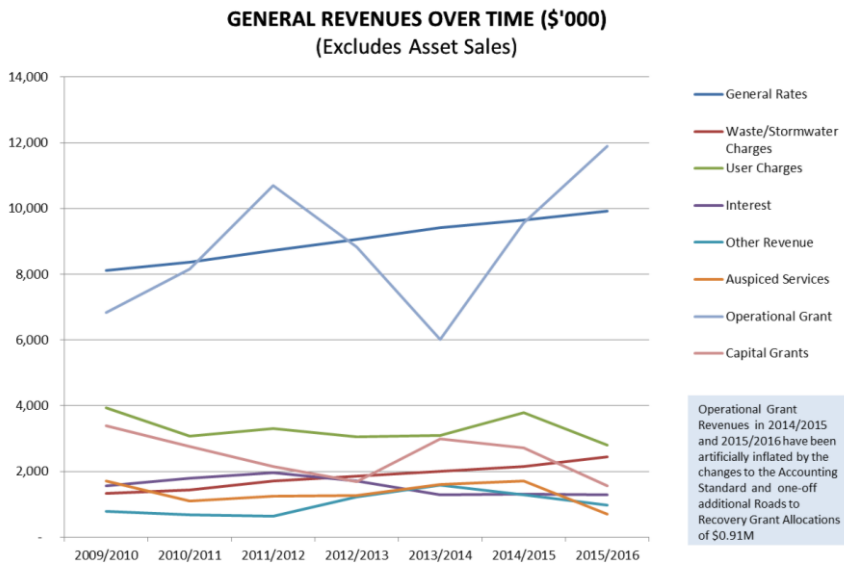
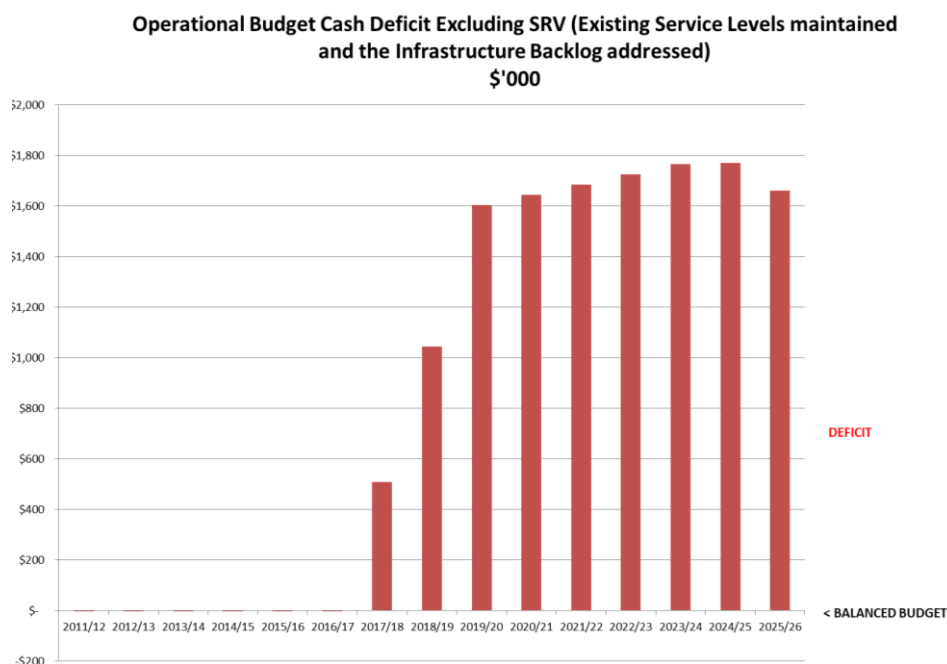


FIGURE 10 COUNCIL'S NET FINANCIAL POSITION, FORWARD ESTIMATES 2017-25



Council's expenditure

- > Council's expenditure equates to about \$30million per annum. Roughly 30% of this is hypothecated to waste, water and sewer services, and the remaining 70% is Council's General Fund for providing and maintaining remaining services (Figure 11). About \$7million of Council's expenditure is non-cash depreciation items (i.e. write downs on asset values)
 - Of Council's \$24million General Fund, about 40% goes towards roads, bridges, culverts, footpaths and parking. The next biggest items are environment, waste, noxious weeds and stormwater (15%), and recreation and cultural facilities, sporting fields and parks (12.5%). The remaining service categories make up between approximately 3% and 5% each of Council's expenditure (Figure 12):
 - > Governance (6.5%)
 - > Economic development and tourism (5.8%)
 - > Administration (5.3%)
 - > Housing and community amenities (4.3%)
 - > Community services and education (3.6%)
 - > Public order, safety and health (3.1%).
 - Of Council's annual maintenance costs, sealed roads (43%) and unsealed roads (25%) make up almost 70%, and open space, sport and recreation facilities (13%), buildings (7%) and bridges, culverts and causeways (5%) make up a further 25%. The remaining 5% is allocated to footpaths, stormwater drainage, swimming pools and other structures
- > Council's most recent capital expenditure budget of approximately \$14million is put towards providing new assets and infrastructure, or renewal of existing assets and infrastructure. Of this, roads, bridges, culverts, footpaths and parking make up approximately 57%. The remainder of this budget is allocated as follows:
 - > Replacing plant and equipment (21%)

- > Recreation and cultural facilities, sporting fields and parks (13%)
 - > Environment, waste, noxious weeds and stormwater (4%)
 - > Administration (3%)
 - > Public order, safety and health (1%)
 - > Economic development and tourism (1%).
- > Council's capital works and asset renewal expenditure – the largest expenditure category - increased substantially from 2011 and has remained at this level since. Other expenditure categories, including employee costs, materials, borrowing costs and depreciation have remained relatively constant since 2009 with a slight downward trends since 2014 (Figure 13)
- > Overall, council's expenditure levels are the same as, or slightly lower than, the average for all general purpose NSW councils (Table 1). The one exception is roads, bridges, culverts, footpaths and parking which are about 10% higher than average as Inverell has one of the largest road network of any council in NSW
- > In summary, the gap between revenue and expenditure has continued to widen despite Council's efforts to restrain expenditure, particularly operational expenditure (Figure 14).

FIGURE 11 COUNCIL'S EXPENDITURE BY FUND, 2015-16

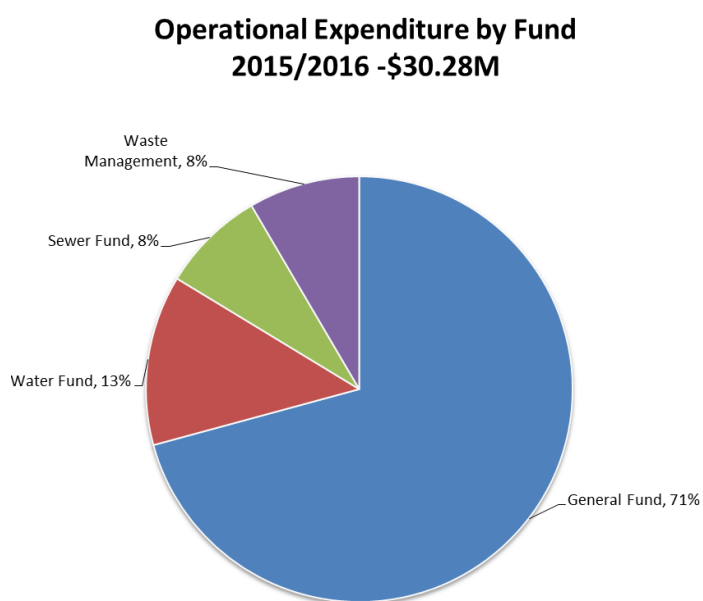


FIGURE 12 COUNCIL'S GENERAL FUND EXPENDITURE BY SERVICE CATEGORY, 2015-16

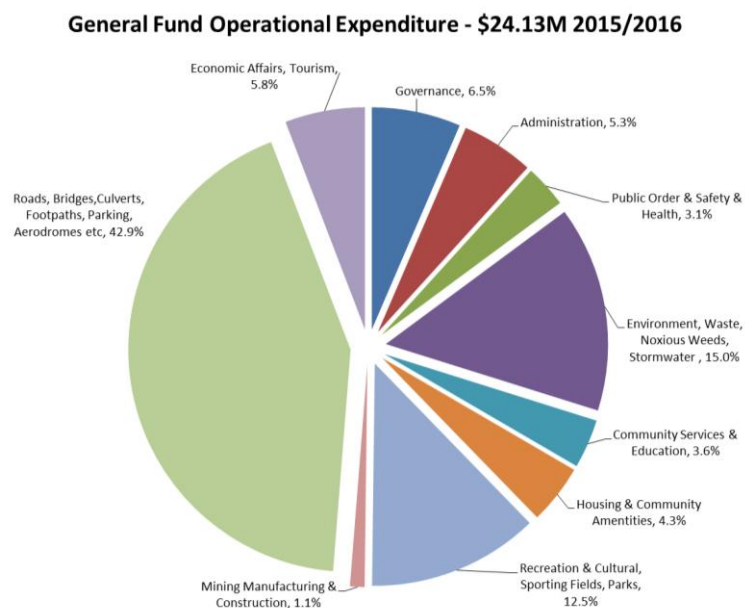


FIGURE 13 CHANGES IN COUNCIL'S EXPENSES, 2009-16

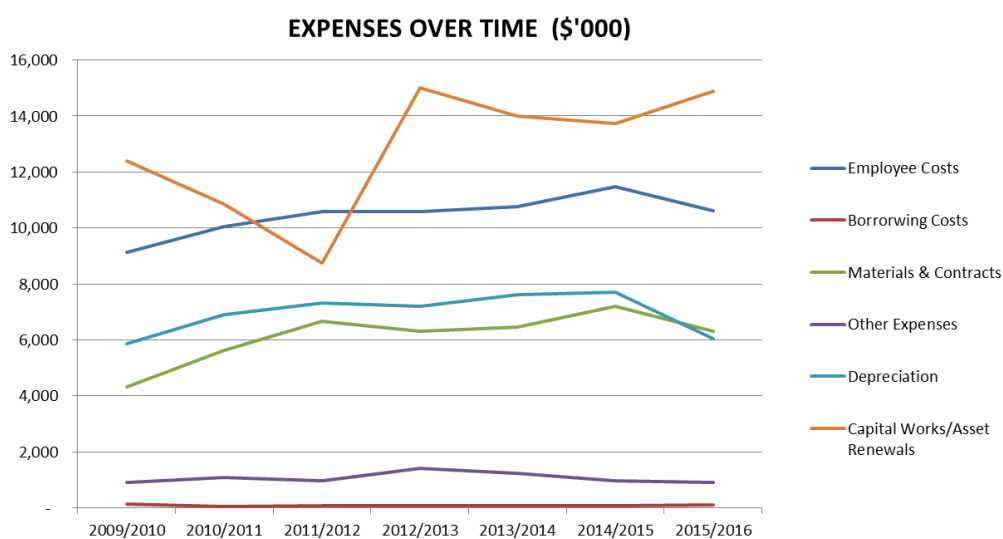
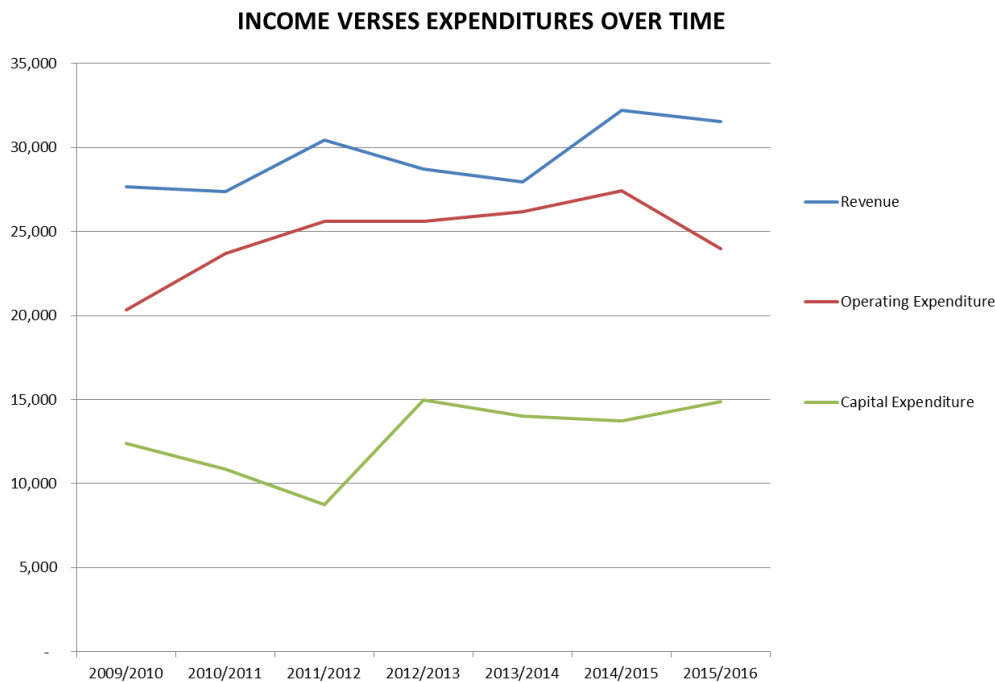


TABLE 1 EXPENDITURE COMPARISON, INVERELL COUNCIL AND ALL NSW COUNCILS

Service Category	General Purpose Councils	Inverell Shire
Governance and Administration	15%	12%
Public Order and Health	4%	3%
Environment and Waste	15%	15%
Community & Education	5%	4%
Housing & Amenities	5%	4%
Recreation & Culture	13%	12%

Service Category	General Purpose Councils	Inverell Shire
Mining Manufacturing Construction	3%	1%
Transport & Communications	34%	43%
Economic Affairs	6%	6%

FIGURE 14 INCREASING GAP BETWEEN COUNCIL REVENUE AND EXPENDITURE



Council's efficiency measures

- > In 2009, Council embarked on an efficiency drive to curtail expenses. In all, efficiency measures have delivered a 24.75% gain. These measures include:
 - Reducing Governance and Administration costs to 55% below the average for similar councils, and 50% below the average for all NSW council. This has included not replacing Governance and Administration staff through natural attrition. Cost savings from this have been diverted to service and infrastructure delivery
 - Due to good performance, Council's workers compensation premiums are less than half the industry average which has delivered \$600,000 in performance incentives and bonuses from insurers
 - Council has purchased the latest road recycling and renewal equipment which has reduced bitumen reseal and patching costs to 25% below the industry average and enable acceleration of Council's resealing program. Overall, Council's road costs (\$14,000/km) are about half the industry average (\$26,000/km)
 - Council has reduced light plant fleet costs to save \$1.8million over 10 years, and is using its heavy plant fleet 10% more efficiently. Maintaining a modern and efficient plant and fleet equipment has reduced Council's costs to 20% below commercial hire rates for comparable equipment
 - User fees and charges for a number of community facilities, such as Inverell Town Hall and sporting fields have been reviewed and increased where possible, and an annual 3% increase in non-statutory fees has been introduced

- Through natural attrition, Council has reduced staff numbers in Governance and Administration (3 less), Director positions (2 less), store person (1 less), and library (3 less). This has impacted some service levels, for example reduced library opening hours
 - Review of rents and licence fees for Council owned properties has generated an additional \$8,000 in annual revenue, and Council has disposed of surplus and saleable land such as the Rifle Range Road industrial subdivision
 - Council has reduced borrowing costs by taking advantage of low interest loans from the State Government
 - Use of solar energy has saved \$445,000 in annual electricity costs, which has been allocated to road maintenance
 - Despite a history of not increasing rates in line with the rate peg, Council policy will now always increase rates in line with the peg in order to raise additional revenue
 - Council has reduced its asset and investment portfolio to the lowest feasible level, freeing up \$6million for investment in Rural Road Asset Renewal. The remaining portfolio serves as Council's daily cash flow and disaster emergency funding
 - A concerted effort to apply for one off grants when they are available has funded a range of sporting and recreation facility upgrades and renewals
 - A Waste Management Fee and Stormwater Management Charge have been introduced, raising a combined \$770,000 per annum, though these funds can only be spent on waste and stormwater services
- > In summary, despite these significant efficiency gains and cost savings, they have only served to defer the need for a SRV - which has been under active consideration by Council since 2009 - and any future efficiency gains are likely to be comparatively small.

Reviewing and reducing service levels

In line with the options presented to the panel to address Council's financial sustainability issue – reducing existing service levels or generating additional revenue – the panel was presented with information on the process of reviewing services.

Given Council has the largest road network in NSW and roads therefore make up a substantial component of service expenditure, any financially meaningful reduction in service levels would necessarily focus on road maintenance and renewal. As such, the service level discussion with the panel centred on roads.

- > The panel were provided with information on a number of considerations that go into determining and balancing service levels with cost of provision. Principally, these include whether service levels meet community expectations as well as risk management
 - For example, where a road is not maintained to an adequate standard the community can be exposed to public health and safety issues as accidents are more likely on poorly maintained roads. Further, if an accident occurs on a poorly maintained road, Council can be liable for damages and this liability risk is a key consideration in determining appropriate road maintenance and renewal schedules
 - In addition, roads that are not maintained can end up costing communities more as they degrade faster and at up to half the rate of adequately maintained roads. This brings forward the need for full renewal of a road, which costs a lot more than ongoing maintenance
- > The panel were then given information on the current condition of Inverell's different road, footpath and drainage assets, as well as the projected condition to 2026 should Council not

generate additional revenue through a SRV to maintain road asset maintenance and renewal activity at existing levels.

FIGURE 15 ROAD ASSET MAINTENANCE PRESENTATION



Generating additional revenue

Finally, the panel were given information on how the NSW rating system works. This included:

- > The NSW rate peg, which limits councils from raising rates above a percentage, set by IPART each year. Any increase above the peg has to be applied for as a SRV by a council and a decision on approving or rejecting the application is made by IPART according to set criteria, including community awareness and engagement
- > Rating increase apply only to base rates (i.e. not including any water, sewer and waste charges included on rates notices)
- > Rates are levied according to set land use categories, and calculated on the unimproved value of the land which as assessed by the State Government
 - As a result, owners of land assessed of lower value, for example where the land is not connected to town water supplies, may receive a lower total monetary increase in rates
 - Conversely, owners of land assessed of higher value, for example where the land has ocean views, may receive a higher total monetary increase in rates
- > Not all councils have the same rating categories. For example, whilst a number of councils in the New England-North West region have mining land uses, rates are only levied against mining land that produces coal or metallurgical properties
 - Inverell has some mines which produce precious gems and, as a result, does not receive rates for these from landowners
- > A breakdown of Council's rating revenue by land category (Figure 16) and comparison to other councils in the New England-North West region (Figure 17).

FIGURE 16 COUNCIL'S REVENUE BY RATING CATEGORY, 2016-17

% OF REVENUE FROM CATEGORIES			
RESIDENTIAL	40.23%	\$	4,318,703
RURAL RESIDENTIAL	7.49%	\$	804,466
FARMLAND	32.15%	\$	3,452,089
BUSINESS	20.13%	\$	2,160,959
MINING	0.00%	\$	-
TOTAL GENERAL RATE REVENUE		\$	10,736,217

FIGURE 17 COMPARISON OF RATING REVENUE FOR NEW ENGLAND-NORTH WEST REGION

	Farmland	Residential	Mining	Business	TOTAL
Tamworth Regional Council	5,325,636	20,663,321	16,458	5,656,776	31,662,191
Moree Plains Shire Council	14,056,808	4,200,878	-	2,423,784	20,681,470
Armidale Dumaresq	2,570,910	9,190,362	23,798	2,250,900	14,035,970
Narrabri Shire Council	5,898,596	4,041,235	690,337	1,281,941	11,912,109
Inverell Shire Council	3,290,612	4,889,543	-	2,077,008	10,257,163
Gwydir Shire Council	4,818,253	755,808	-	130,010	5,704,071
Glen Innes Severn Council	2,361,290	2,640,433	290	47,421	5,549,434
Uralla Shire Council	1,938,781	1,475,831	-	98,989	3,513,601
Guyra Shire Council	874,328	705,611	2,949	98,778	2,681,666

Panel members were then given a tailored rating assessment - assuming the SRV is approved - for the property of their residential street address. The assessment was expressed in annual and weekly dollar amounts and included the cumulative impact of the SRV and rate peg increases through to 2020 (Figure 18).

FIGURE 18 CUMULATIVE RATE IMPACT BY RATING CATEGORY

INVERELL SHIRE COUNCIL RATE- IMPACT ON RATES OF A 508A SPECIAL VARIATION OF 4.75% p.a. (14.25% SRV) FOR 3 YEARS																
RATING CATEGORY	No of Assess	Rateable Value (NR) Sch 1	2016/2017 Average Rate	2017/2018 Average Rate with 1.5% Rate Peg	2017/2018 Average Rate with 1.5% Rate Peg + 1.5% Rate Peg (6.25%)	CUMULATIVE SRV IMPACT YEAR 1 above 2016/2017 Levels	2018/2019 Average Rate with 2.5% Rate Peg	2018/2019 Average Rate with 4.75% SRV + 2.5% Rate Peg (7.25%)	CUMULATIVE SRV IMPACT YEAR 2 above 2016/2017 Levels	2019/2020 Average Rate with 2.5% Rate Peg	2019/2020 Average Rate with 4.75% SRV + 2.5% Rate Peg (7.25%)	CUMULATIVE IMPACT OF SRV IN 2019/2020 above 2016/2017 Levels	Total Cumulative % Increase in General Rate	WEEKLY IMPACT IN 2019/2020 OF 14.25% SRV (14.94% Cumulative)	ESTIMATED WEEKLY IMPACT IN 2019/2020 OF THE RATE PEG	WEEKLY INCREASE INCLUDING RATE PEG AND THE SRV IN 2019/2020
Residential - Inverell	4073	228,790,967	\$ 935.94	\$ 959.34	\$ 994.41	\$ 58.47	\$ 983.33	\$ 1,066.50	\$ 130.55	\$ 1,007.91	\$ 1,143.82	\$ 207.87	22.2%	\$ 2.61	\$ 1.38	\$ 4.00
Residential - General	413	19,914,140	\$ 603.59	\$ 618.67	\$ 641.32	\$ 37.73	\$ 634.14	\$ 687.82	\$ 84.23	\$ 650.00	\$ 737.66	\$ 134.07	22.2%	\$ 1.69	\$ 0.89	\$ 2.58
Residential - Ashford	254	3,059,070	\$ 449.38	\$ 460.62	\$ 477.47	\$ 28.09	\$ 472.13	\$ 512.09	\$ 62.71	\$ 483.94	\$ 549.23	\$ 99.84	22.2%	\$ 1.26	\$ 0.66	\$ 1.92
Residential - Delungra	148	3,481,100	\$ 472.72	\$ 484.54	\$ 502.27	\$ 29.55	\$ 496.65	\$ 538.68	\$ 65.96	\$ 509.07	\$ 577.74	\$ 105.03	22.2%	\$ 1.32	\$ 0.70	\$ 2.02
Residential - Gilgai	106	3,481,100	\$ 532.94	\$ 546.26	\$ 566.24	\$ 33.30	\$ 559.92	\$ 607.30	\$ 74.36	\$ 573.92	\$ 651.34	\$ 118.40	22.2%	\$ 1.49	\$ 0.79	\$ 2.28
Residential - Yetman	66	988,370	\$ 464.67	\$ 476.29	\$ 493.72	\$ 29.04	\$ 488.20	\$ 529.51	\$ 64.83	\$ 500.40	\$ 567.95	\$ 103.28	22.2%	\$ 1.30	\$ 0.69	\$ 1.99
Residential Rural	928	108,657,880	\$ 870.85	\$ 892.62	\$ 925.35	\$ 54.50	\$ 914.93	\$ 992.51	\$ 121.66	\$ 937.81	\$ 1,064.52	\$ 193.68	22.2%	\$ 2.44	\$ 1.29	\$ 3.72
Farmland	1336	649,115,277	\$ 2,586.49	\$ 2,651.15	\$ 2,747.82	\$ 161.33	\$ 2,717.43	\$ 2,946.93	\$ 360.44	\$ 2,785.37	\$ 3,160.59	\$ 574.11	22.2%	\$ 7.22	\$ 3.82	\$ 11.04
Business - Inv. Industrial / Commercial	418	57,592,345	\$ 4,712.61	\$ 4,830.43	\$ 5,007.10	\$ 294.49	\$ 4,951.19	\$ 5,370.10	\$ 657.49	\$ 5,074.97	\$ 5,759.38	\$ 1,046.76	22.2%	\$ 13.16	\$ 6.97	\$ 20.13
Business - Other	144	6,946,928	\$ 1,348.71	\$ 1,382.43	\$ 1,433.01	\$ 84.30	\$ 1,416.99	\$ 1,536.90	\$ 188.19	\$ 1,452.41	\$ 1,648.35	\$ 299.64	22.2%	\$ 3.77	\$ 1.99	\$ 5.76
Mining	0	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
TOTALS	7886	1,082,027,167														

RATE PEG - Actual	2017/2018	1.50%	14.25% SRV implemented at 4.75% p.a.(14.94% Cumulative)plus the Rate Peg for 2017/2018, 2018/2019 and 2019/2020 for a Total Cumulative Increase of 22.2% Table shows the average weekly increase in General Rates from the Special Rate Variation, both with and without the IPART Rate Peg For example the average increase in the General Rate for an Inverell Residential Ratepayer is \$4.00 per week in 2019/2020
- Estimated	2018/2019	2.50%	
- Estimated	2019/2020	2.50%	
RATE PEG CUMULATIVE		6.64%	

Panel members had the opportunity to query their tailored assessment. Before attending the panel, a number of participants estimated their own increase using their most recent rates notice and information on the quantum of the rate increase provided in community newsletters from Council.

Panel members queried why the amount they calculated and their tailored assessment did not match. This was a function of having estimated their rate increase using the *total amount* of the rates notice. This total amount includes water, sewer and waste charges which are not subject to the rate increase; rather it is only the base rate component of a rates notice which increases.

FIGURE 19 PANEL MEMBERS QUERY



Developing recommendations about the options

In the final session, the panel were split into three small groups to discuss their overall views on the evidence and information provided and craft advice to Council.

The group composition was determined so each group had members with different initial preferences towards the options - as tested at the end of day one. This provided panel members with an opportunity to hear and consider different views on how Council should address financial sustainability issues.

Each group was asked to run through the list of Council's service categories and indicate whether they would like more, the same or less invested in each category as is currently spent. Council staff were on hand to answer any queries about the service categories, for example interrogating individual items within each category. Each group was also asked to identify any additional revenue generating opportunities for Council.

During the report back process, all groups indicated they would like to continue spending the same amount on most service categories, if not more. There were some exceptions and qualifications:

- > One group wanted more invested in community services, particularly youth and disability services. Participants recognised that Council did not have to be the main provider for these services, but Council's role as an advocate and enabler for community services was crucial
- > All groups indicated they valued Council's economic development and tourism services and did not want investment in these reduced, but were keen to ensure the current spend is delivering real benefits in attracting new residents, businesses and tourists

- > Whilst there was a desire to maintain sports, parks and recreation investment at current levels, there was some concern regarding the service mix – particularly the balance of maintenance and renewal activities between newer and older sporting fields and parks
 - Given a number of Council’s sporting fields and parks have recently been upgraded - paid for by one-off grants from other levels of government - panel members suggested there may be an opportunity to reduce maintenance on these newer facilities in favour of maintenance and renewal of the Shire’s older parks
- > Some participants were concerned at what they felt was a lack of investment in arts and culture in the Inverell area, and suggested that Council develop an arts and culture strategy to articulate a vision for the area’s arts. These participants felt that arts and culture was a key attraction to a local area, which could potentially assist in attracting new residents or visitors to the LGA
- > Many panel members voiced the importance of making an informed decision through the deliberative process and suggested Council improve general communication channels with the community to make information more accessible
 - Some panel members felt that improvements could be made to the community’s current knowledge of existing service providers
 - Other panel members suggested that Council apply a demonstrated effort to efficiency and transparency by using Council’s communication channels to promote its’ efficiencies and other good work to the broader community
- > Whilst panel members emphasised the importance of environment, waste and noxious weeds services, some felt savings could be made within the waste area of this service category by increasing bin sizes and reducing the frequency of bin collection
 - These panel members noted Council has recently trialled an initiative with larger recycling bins collected less frequently. Others suggested they do not put their bins out each fortnight as a way to save Council’s rubbish trucks from stopping to pick up bins that are not full
- > Whilst panel members indicated they would always like Council to spend less on Governance and Administration costs, they were generally impressed with Council’s recent efficiency measures and uncertain whether less could be spent
 - Notwithstanding, they emphasised the ongoing importance of and their valuing Council always striving to be a more efficient organisation and reduce costs, particularly administration costs, wherever possible
- > Some panel members suggested there may be opportunity for Council to generate additional revenue by again reviewing hire fees for community facilities, such as Inverell Town Hall. Others indicated Council should look to undertake more revenue-generating regional road maintenance work for NSW Roads and Maritime Services
- > Some panel members suggested Council’s continue consulting with small community groups to work through specific issues around service delivery costs and next steps.

At the conclusion of this process, the panel agreed they are not prepared to accept a reduction in service levels and, as a result, are willing to pay higher rates to maintain existing service levels.

FIGURE 20 PRESENTATION TO MAYOR AND COUNCILLORS



3.4 Advice provided to Council by the panel

In closing out the panel, panel members were prompted with the three questions and asked to write a response on cards with their name on it (de-identified cards from this exercise can be found in Appendix C):

1. Do you accept or not accept the need for a rate increase?
2. At what level should this rate increase be?
3. Overall, do you accept or not accept Council's proposal to increase rates?

Do you accept or not accept the need for a rate increase?*

<i>Accept</i>	<i>Not accept</i>
18	0

*By this stage, one panel member had left due to illness and one member did not vote so totals do not match the initial 20.

At what level should this rate increase be?

1. The amount Council wants, but would allow a little more if needed
2. No more than proposed
3. Up to 14.5%
4. Maybe implemented over a longer time period
5. 14.25% or less, if possible
6. Yes, but at 14.5%
7. Mixed. Generally support what is proposed but some suggest less and others suggest more. If we go for more, it should be phased in over 5 years to address any risks around current financial assumptions.

8. 14.5%
9. 14.5%
10. As per recommended, or a little more for a buffer
11. 15%
12. At proposed rate, or 15% to allow leeway
13. The rate increase should stay the same amount but spread it out over a longer period of time – 6 years
14. Suggest same amount but spread over a longer period – 6 years
15. Lower than the proposed rate increase
16. Bring in over a longer period. 14.25% over 6 years
17. 14%
18. Increase the rate at the same level but over an extended period of time

Overall, do you accept or not accept Council’s proposal to increase rates?*

<i>Accept</i>	<i>Not accept[^]</i>
13	5

*By this stage, one panel member had left due to illness and one member did not vote so totals do not match the initial 20.

[^]Four of these responses related to length of implementation, with all preferring 6 years, rather than need for the rate rise. One of these responses related to the quantum of the rate rise.

Most of us in the group walked into the room on Friday with a very small amount of knowledge about what our council does and the constraints under which you must operate. The information we were given so that we could make an informed decision about rate rises was the most valuable part (for me) of the whole process. Equipping your very community caring LGA with this kind of information will give council far more support and more appreciation of what you do. In doing so, I believe you will reduce the amount of opinionated complaining and increase the amount of volunteer support that you get for various events and services.

4 Conclusion

Based on the phone survey and deliberative panel community engagement undertaken by CLG, the following conclusions are made about the views of Inverell residents:

Summarising the engagement findings

The role of Council in providing essential and non-essential services in the area is highly valued by the community, and the community should be involved in making decisions about these. Value for money should be an important, though not the only, consideration when making these decisions.

Council services are found to be adequate by the community, and the community is not prepared to accept a decrease in these. As a result, the community want Council to continue to spend the same amount, if not more, on services in the area.

When presented with Council's financial sustainability issue:

- > Existing service levels cannot be maintained in the future without an increase in revenue;

And then:

- > Given options to address this – either 1) increasing rates above the rate peg via a SRV, or 2) reducing service levels.

And following detailed consideration of the same financial and service delivery evidence and information that is made available to elected representatives; everyday community members identify increasing rates as the preferred mechanism for addressing Council's financial sustainability issue.

This holds true for community members who, prior to considering this evidence and information, prefer cutting spending or services in some areas. After considering this, these community members shift their preference to increasing rates as the mechanism to address financial sustainability issues.

After considering the background evidence and information on Council's financial sustainability and service levels, the need for and extent of Council's SRV application is generally accepted by the community. However, there are some qualifications – principally, that Council consider phasing in the SRV over a longer time period (6 years) than is currently proposed (3 years).

Appendix A. Survey instrument

SAMPLING NOTES

Sampling Notes

N = 400

1. Inverell township – 45%
2. Paradise / Stannifer / Elsmore / Tinga / Howell / Tenterden / Bondarra – 10%
3. Pindaroi / Ashford / Yetman / Atholwood / Oakwood / Bukkula / Sapphire / Swanbrook – 10%
4. Other – 35%

Hard quotas

- a) Age
- b) Gender
- c) Income

Soft quota

- a) Aboriginal and Torres Strait Islander

Survey time: 8 minutes

INTRODUCTION

Good afternoon/evening, my name is _____ from _____ and we are conducting a survey on behalf of the University of Technology Sydney about Inverell.

I was hoping you may have 8 minutes to answer some questions?

Everything we talk about is confidential and your comments won't be identified in any reporting of the survey results.

Terms of Participation

- I agree to participate in the Inverell Survey being conducted by Galaxy Research on behalf of UTS.
- I am aware I can contact UTS if I have any issues to discuss about the survey.
- I understand I am free to withdraw my participation from the survey at any time without giving a reason.
- I agree any questions I have about this survey have been answered before completing.
- I agree the data from the survey may be published in a form that does not identify me.

Studies undertaken by UTS:IPPG have been granted program approval by the University of Technology Sydney, Human Research Ethics Committee. If you have any complaints or reservations about any aspect of your participation in this research you may contact Professor Roberta Ryan, a Director at UTS or the UTS Ethics Committee through the Research Ethics Officer (02 9514 9777). Any complaint you make will be treated in confidence and investigated fully and you will be informed of the outcome.

QUOTAS

A1 Are you...

- a) Male
- b) Female

A2 How old are you?

- a) Under 18 → thank and close
- b) 18-25
- c) 26-35
- d) 36-45
- e) 46-55
- f) 56-65
- g) Older than 65

A3 Which town do you live in? DO NOT READ

- a) Inverell township
- b) Paradise / Stannifer / Elsmore / Tinga / Howell / Tenterden / Bondarra
- c) Pindaroi / Ashford / Yetman / Atholwood / Oakwood / Bukkula / Sapphire / Swanbrook
- d) Other (please specify):

A4 CREATE RANDOM NUMBER

- a) One
- b) Two

SURVEY

ASK IF RANDOM NUMBER A4=1

Q1 - Thinking about the area where you live, do you agree or disagree with the following?

(RANDOMISE a-i)

	Agree	Disagree	Don't know	Not applicable
a) There is something about the landscape that makes me feel good	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) The area reflects the type of person I am	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) The area has the qualities I value	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d) I feel part of the history of this area	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

ASK IF RANDOM NUMBER A4=2

Q2 - Thinking about the area where you live, do you agree or disagree with the following?

(RANDOMISE a-i)

	Agree	Disagree	Don't know	Not applicable
e) I feel at home here	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
f) The area is full of important memories and stories	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
g) I feel connected to friends and neighbours	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
h) Living here makes me feel good about myself	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
i) I feel a cultural connection to the area	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Q3 – I'll now read out a list of different things local governments can do.

Is it important or not important to you that local government provides and/or maintains each of the following... [PROMPT: Is that slightly, moderately, very or extremely important]

RANDOMLY ASSIGN STATEMENTS 1-20 TO RESPONDENTS SO THAT EACH INDIVIDUAL IS ASKED TEN STATEMENTS. READ OUT AND RANDOMIZE

	Not at all important	Slightly important	Moderately important	Very important	Extremely important
a) Water, sewage, stormwater, drainage	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b) Roads and bridges	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c) Parks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d) Footpaths	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
e) Cycleways	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
f) Land use planning and development applications	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
g) Street cleaning and waste management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
h) Health and environmental management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
i) Child Care	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
j) Aged Care	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
k) Emergency and disaster management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
l) Libraries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
m) Environmental and land management	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
n) Sporting and recreation facilities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
o) Arts and culture	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
p) Economic development	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
q) Youth services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
r) Community development	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
s) Planning for the future	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
t) Promoting the area	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

ASK IF RANDOM NUMBER A4=1

Q4 Thinking about the role of local government in providing services to the community, please say whether you agree or disagree with each of the following

(RANDOMISE a-i)

	Agree	Disagree	Don't know
a) I want local government to involve me in making decisions about what services are delivered in my area			
b) My rates should only pay for basic services			
c) I am prepared to pay more rates to get a broader range of services			
d) There is a role for local government in providing any of the services the community needs			

ASK IF RANDOM NUMBER A4=2

Q5 Thinking about the role of local government in providing services to the community, please say whether you agree or disagree with each of the following

(RANDOMISE a-i)

	Agree	Disagree	Don't know
e) Decisions about how services are delivered in my area should be made primarily on value for money			
f) Local government should focus on providing only basic services			
g) I am prepared to accept fewer services in exchange for paying less rates			
h) I want local governments to deliver services that contribute to a healthier and fairer society			
i) It is acceptable for services in one area to be delivered differently than in other areas			

Q6 I will now read a list of different services your council currently provides or maintains. What do you think council's investment in these areas should be – more than it is now, less, about the same or not sure?

(RANDOMIZE a-o)

	Invest more	Invest the same	Invest less	Not sure
a) Roads				
b) Bridges				
c) Parks, footpaths and cycle ways				
d) Crematorium and cemeteries				
e) Community, arts, culture and heritage				
f) Library				
g) Environment and natural resources				
h) Sport and Recreation				
i) Airport				
j) Supporting the local economy				
k) Art Gallery				
l) National Transport Museum				
m) Town Hall				
n) Village halls				
o) Emergency services				

Q7 Thinking broadly about all of the services provided by local government in your area... Would you rate them as excellent, adequate or poor according to each of the following criteria:

(RANDOMISE a-d)

	Excellent	Adequate	Poor	Don't know
a) Quality				
b) Ease of access				
c) Value for money				
d) Usefulness to you				

Q8 Which of the following best describes your views on local government spending on services in your area?

(S/R)

- a) Local government should spend a lot more on services
- b) Local government should spend a little more on services
- c) Local government is spending about the right amount on services
- d) Local government should spend a little less on services
- e) Local government should spend a lot less on services
- f) Not sure

Q9 </FQ8=a,b> And if local government should spend more on services, how do you think this money should be raised?

(S/R)

- a) Increasing rates
- b) Charging users more for the services they use
- c) Cutting spending or services in some areas
- d) By borrowing more money (loans)
- e) Increasing water and sewer rates
- f) Not sure

DEMOGRAPHICS

And finally some questions about you

D1 Does each of the following apply or not apply to you and your household...

- a) I have dependent children under the age of 18
- b) I rent the home I live in
- c) I am paying off a mortgage
- d) I speak another language other than English at home
- e) I am an Aboriginal or Torres Strait Islander

D3 Thinking about paid work do you currently work?

- a) Full time
- b) Part time
- c) Not at all

D4 Which best describes your annual household income before tax?

Please make your best estimate.

- a) Less than \$20,000
- b) \$20,000 - \$40,000
- c) \$40,001 - \$60,000
- d) \$60,001 - \$80,000
- e) \$80,001 - \$100,000
- f) \$100,001 - \$150,000
- g) More than \$150,000
- h) Not sure/rather not say

D3a <IFD3=a,b,c> Are you currently working for the government, a public institution or a non-profit organisation in your area?

- a) Yes
- b) No

D5a As part of this research, UTS may do some focus groups with community members. This is where a small group of local residents would be asked some questions by a trained researcher in a group setting. The groups are friendly, informal and would be held at a venue in your local area, and participants receive an incentive, usually cash, for their time. The groups may be held on either the 13 or 14 January If you meet the criteria for selection, may we please contact you in relation to these focus groups?

- a) Yes
- b) No [TERMINATE]

IF YES

D5b Are you currently on or employed by your local council?

- a) Yes
- b) No [TERMINATE]

IF NO: could you please give me your full name so we can contact you directly to send you some material and we may invite you to participate?

Name: _____

As you have opted to be contacted about the groups, your contact details will be retained by UTS for this purpose only. You can contact UTS to access, amend or withdraw your contact details on 02 9514 7884.

CLOSE

Thanks for your help with this survey. This Survey was conducted on behalf of the University of Technology Sydney for Inverell Council.

Appendix B. Day 1 cards

IT IS MY RESOLUTION AND MANY
THINGS TO SORT OUT TO BE FAIR
ON EVERYONE AND RESIDUALS
EVERYTHING HAS TO BE FAIR

Rate increase proposed is far too high

Generate additional revenue by increasing
rates above the peg

We need more and improved services. If rates rise means we get that then that's what we need to do.

① Revenue

- Support with regards to remaining viable whilst maintaining existing services.
- More focus on user pays - e.g. Northern Foreshores Capex
- Less \$ to metro distribution of FAG, vs. regional distribution

② Services

- Don't support

1. YES - SRV - NEED TO BE SUSTAINABLE

2. NO REDUCTION OF SERVICES, NEED TO KEEP TO AT LEAST STANDARD WE HAVE AT MOMENT.

Generation of additional revenue to help such as increasing the rates, fundraising, community involvement etc.

However lowering services from the less important sectors which will allow other funding to be used elsewhere.

option 1
plus review some of the cost of sustaining some institutions

A COMBINATION OF BOTH DEPENDING ON WHICH, AND DEPENDS ON INFO AND DISCUSSION TOMORROW.

I am half between both; as a single parent paying off a house + educating a child, rate increases would put me severely behind the "black ball" + put me in severe hardship...

Still under consideration

I think rate changes will have to include some real help for low income households + single pensioners.

Also the rates on units is not currently fair compared to household rates.

Caught on the fence for now.

I believe the people as a whole could contribute to ideas about how to raise \$\$ for things that are needed to be addressed.

As a community we need discussions like this to educate us on more options.

3 NEED TO REDUCE COSTS - SAVES A BIT.

2) RATES MUST BE INCREASED - THE POPULATION HAS A GREAT SHARE AND IT IS WORTH CONTRIBUTE A BIT MORE

*1.) LOBBY ~~PARLIAM~~ POLITICS TO ISSUE MORE FUNDS (INCREASE % FROM THE GRANTS.

• cut some services - where possible, but not crazy amounts.

• increase rates to get us comfortable, ie, above break ~~even~~ even.

• be open to fundraising events like festivals or fun things (town slip & slide?) to raise funds for other unnecessary extras that people want eg, more parks, more council run activities for adolescents.

Just thinking about what I'd do with my own budget!

2)
*Reduce Service levels.

Reduce service levels to a certain extent but also increase rates to a lesser extent

~~Generate/Increase~~

Reduce services levels with lower quality & less maint maintenance
for example gardens and st sweepers

no to rates

might be able to cut ~~take out~~ some of the services

- 1) Generate additional revenue by increasing rates above the peg (through SREV)
- 2) Reduce service levels with lower quality standards + less maintenance + renewal of assets.

Neither - Find another way to raise revenue

No idea. Neither. As a rate payer I can't afford max just to maintain the same. It would move me out of this area. As would less services with a young family. I would rather take them somewhere else.

Appendix C. Day 2 cards

1. Yes I accept the need for a rate rise.
However, perhaps more costs could be lower.

2. Suggest some amount spread over a longer period
(6 yrs?) or look at more cost cutting so that
the rise is not as high in the 4 yr period.

3. 6yrs @ 14.25 is a yes
4 yrs @ 14.25 is no.

No on theirs

1. do you accept or not accept need for a rate increase?

a) yes

b) No

2. At what level should this rate increase be?
lower than the proposed rate increase.

3. overall, do you accept Council's proposal?

a) yes

b) No

1) yes.

2) Bring in over longer period?
14.25% over 6 yrs.

3) ~~yes~~ No.

1) Yes

2) 14%

3) 6 years

1. a) yes

2. increase the rate at the same level but over an extended period of time

3. no (see Q 2)

1. Yes

2. the amount cancell would but would allow with more if needed to redundancy

3. Yes

Q 2 of 2

1. a) yes with reservations.

2. no more than proposed.

3. yes

- ① Yes I accept a need for rate increase.
- ② ~~to~~ Up to 14.5%
- ③ I accept councils proposal.

Q1 YES

Q2 Maybe spread over a longer period.

Q3. yes.

1. YES

2. 14.25 OR LESS

3. YES.

1. Yes.

2. 14.5%

3. Yes, but at 14.5%

Rate Increase

① Yes.

② Mixed. Generally support proposed, but some suggest less and some more. If more phase is over 4th + 5th years to address discretionary spending + risk of

③ Yes. Current assumptions.

1) a Yes.

2) 15%

3) a Yes.

1) yes.

2) The rate increase should stay the same amount but spread it out over a longer period of time byrs.

3) yes.

1. YES

2. AT ~~PROPOSED~~ PROPOSED RATE
OR 15%. TO ALLOW LEEWAY.

3. YES

- ① YES
- ② AS PER RECOMMENDED ~~PERCENTAGE~~
- ③ YES OR A LITTLE MORE. FOR BUFFER.

① A. yes.

② 14.5.

③ A. yes but can go a little higher

1/ YES.

2/ 14.5%

3/ YES.



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